

**ACADIANA ECONOMIC DEVELOPMENT
COUNCIL, INC.**

FINANCIAL STATEMENTS

**FOR THE EIGHTEEN MONTHS ENDED
SEPTEMBER 30, 2013**

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INDEPENDENT AUDITORS' REPORT

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To the Board of Directors
Acadiana Economic Development
Council, Inc.
Lafayette, Louisiana

Report on the Financial Statements

We have audited the accompanying financial statements of Acadiana Economic Development Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, functional expenses, and cash flows for the eighteen months then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's

internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Acadiana Economic Development Council, Inc. as of September 30, 2013, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2014, on our consideration of Acadiana Economic Development Council, Inc.'s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Acadiana Economic Development Council, Inc.'s internal control over financial reporting and compliance.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, L.L.C.
Certified Public Accountants

February 17, 2014
Lafayette, Louisiana

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

**STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2013**

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$ 93,264
Revenue Receivable	89,433
Prepaid Expenses	<u>56,870</u>
Total Current Assets	<u>239,567</u>

PROPERTY AND EQUIPMENT

Equipment	86,437
Work in Progress	14,000
Less: Accumulated Depreciation	<u>(71,519)</u>
Net Property and Equipment	<u>28,918</u>

OTHER ASSETS

Logo and Tag Line	<u>3,000</u>
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TOTAL ASSETS	<u><u>\$ 271,485</u></u>
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LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts Payable	\$ <u>3,799</u>
Total Current Liabilities	<u>3,799</u>

NET ASSETS

Unrestricted	<u>267,686</u>
Total Net Assets	<u>267,686</u>

TOTAL LIABILITIES AND NET ASSETS	<u><u>\$ 271,485</u></u>
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The Accompanying Notes are an Integral Part of this Statement.

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

**STATEMENT OF ACTIVITIES
FOR THE EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013**

UNRESTRICTED NET ASSETS

PUBLIC SUPPORT

Grants and Contracts	<u>\$ 262,684</u>
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TOTAL PUBLIC SUPPORT AND REVENUES	<u>262,684</u>
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EXPENSES

Program Activities:

Economic Development	212,019
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Management and General Expenses	<u>11,537</u>
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Total Expenses	<u>223,556</u>
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INCREASE IN UNRESTRICTED NET ASSETS	39,128
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NET ASSETS AT BEGINNING OF YEAR	<u>228,558</u>
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NET ASSETS AT END OF YEAR	<u><u>\$ 267,686</u></u>
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The Accompanying Notes are an Integral Part of this Statement.

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

**STATEMENT OF CASH FLOWS
FOR THE EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013**

CASH FLOWS FROM OPERATING ACTIVITIES

Increase in Net Assets	<u>\$ 39,128</u>
Adjustments to Reconcile Increase in Net Assets to Net Cash Provided By Operating Activities:	
Depreciation	8,062
Changes in Assets and Liabilities:	
Revenue Receivable	(50,831)
Prepaid Expenses	37,726
Construction in Progress	(14,000)
Accounts Payable	<u>3,304</u>
Total Adjustments	<u>(15,739)</u>
Net Cash Provided By Operating Activities	<u>23,389</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of Fixed Assets	<u>(20,759)</u>
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NET INCREASE IN CASH 2,630

CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR 90,634

CASH AND CASH EQUIVALENTS AT END OF YEAR \$ 93,264

The Accompanying Notes are an Integral Part of this Statement.

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations – Acadiana Economic Development Council, Inc. is a non-profit organization that is designed to provide the Acadiana region with an economic development plan to restructure the Acadiana economy to provide an adequate base of new employment opportunities into the 21st century and beyond and a permanent structure to implement the plan as well as foster economic planning and development and improve efficiency and development of both the quality and quantity of economic growth and employment opportunities. The Organization is primarily funded through a grant from the State of Louisiana, Department of Economic Development.

Basis of Presentation – The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Accounting Policies – Assets, liabilities, revenues and expenses are recognized on the accrual basis of accounting in conformity with generally accepted accounting principles.

Income Taxes – Acadiana Economic Development Council, Inc. qualifies as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code and therefore has no provision for federal income taxes. In addition, Acadiana Economic Development Council, Inc. has been determined by the Internal Revenue Service not to be a private foundation within the meaning of Section 509 (a) of the Code.

Property and Equipment – All acquisitions of property and equipment in excess of \$500 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are valued at historical cost for assets purchased and at fair market value at the date of donation for contributed assets. Donations of property and equipment are recorded as support at their estimated fair market value and are reported as unrestricted unless the donor has restricted the donated assets for a specific purpose.

Depreciation is computed using the straight-line method over the assets' useful lives. Depreciation expense at September 30, 2013 totaled \$8,062.

Cash and Cash Equivalents – For the purposes of the statement of cash flows, the Organization considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents. There were no cash equivalents at September 30, 2013.

Use of Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013**

(A) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - continued

Vacation and Sick Leave – Vacation is earned after one year of employment and is calculated based on an anniversary year. Any unused vacation as of an employees' anniversary date is forfeited. Upon separation, employees will not be compensated for any unused vacation.

Sick leave with pay is earned at a rate of five days per calendar year. No sick leave is payable to an employee upon separation nor can sick leave be carried forward.

Functional Allocation of Expenses – The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Grant Revenue – Proceeds from grants made for the purchase of specific items are recognized as revenue when the organization is reimbursed for those purchases by the donor. Proceeds from operational grants with no specified purchase requirements are recognized when funds are available.

Date of Management's Review – Subsequent events were evaluated through February 17, 2014 which is the date the financial statements were available to be issued.

(B) CONCENTRATION OF CREDIT RISK

A significant portion of Acadiana Economic Development Council, Inc.'s accounts receivable balance at September 30, 2013 is comprised of amounts due from the State of Louisiana, Department of Economic Development.

Ninety-nine percent (99%) of the revenues of the Organization are comprised of funds received from the Louisiana Department of Economic Development. These grants and contracts are renewed annually. A change in this funding could substantially affect the operations of the Organization.

(C) MEMORANDUM OF UNDERSTANDING

The Organization has also entered into an annual memorandum of understanding with the Lafayette Economic Development Authority to provide up to \$50,000 to fund marketing efforts and potential staffing for the year ended December 31, 2013 and \$55,000 for the year ended December 31, 2012. As of September 30, 2013, the Organization has received \$65,000 from these agreements which is reflected in grant revenue on these financial statements. The additional funds received related to these grants will be recorded as they are received.

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

**NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2013**

(D) FINANCIAL INSTRUMENTS

Financial instruments that potentially subject Acadiana Economic Development Council, Inc. to concentrations of credit risk consist principally of temporary cash investments. The Organization places its temporary cash investments with one high quality financial institution. At times amounts may be in excess of FDIC insurance limits. As of September 30, 2013, Acadiana Economic Development Council, Inc. had no significant concentrations of credit risk.

The fair values of Acadiana Economic Development Council, Inc.'s financial instruments are as follows:

Cash and short-term investments – The carrying amount approximates fair value because of the short maturities of those investments.

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

**SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013**

	PROGRAM SERVICES	SUPPORT SERVICES	TOTAL
Depreciation	\$ -	\$ 8,062	\$ 8,062
Professional Development	968	-	968
Insurance	2,192	-	2,192
Professional Fees	-	3,475	3,475
Program Costs	206,491	-	206,491
Travel	<u>2,368</u>	<u>-</u>	<u>2,368</u>
Totals	<u>\$ 212,019</u>	<u>\$ 11,537</u>	<u>\$ 223,556</u>

See Independent Auditors' Report.

WRIGHT, MOORE, DEHART, DUPUIS & HUTCHINSON, L.L.C.

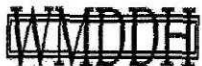
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INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Acadiana Economic Development Council, Inc.
Lafayette, Louisiana

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Acadiana Economic Development Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2013, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 17, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Acadiana Economic Development Council, Inc.'s internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Acadiana Economic Development Council, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements

will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Acadiana Economic Development Council, Inc.'s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Wright, Moore, DeHart,
Dupuis & Hutchinson, LLC*

WRIGHT, MOORE, DEHART,
DUPUIS & HUTCHINSON, LLC
Certified Public Accountants

February 17, 2014
Lafayette, Louisiana

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013**

We have audited the financial statements of Acadiana Economic Development Council, Inc. as of and for the eighteen months ended September 30, 2013, and have issue our report thereon dated February 17, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by Comptroller General of the United States. Our audit of the financial statements of September 30, 2013 resulted in an unqualified opinion.

Section I – Summary of Auditors’ Reports

A. Report on Internal Control and Compliance Material to the Financial Statements

Internal Control

Material Weaknesses	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant Deficiencies	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Compliance

Compliance Material to Financial Statements	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
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Section II – Financial Statement Findings

There were no current year findings.

Section III – Federal Award Findings and Questioned Costs

This section in not applicable.

ACADIANA ECONOMIC DEVELOPMENT COUNCIL, INC.
SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE EIGHTEEN MONTHS ENDED SEPTEMBER 30, 2013

There were no prior year findings.